

A 359794

Europe, Policies and People

An Economic Perspective

Edited by

Sue Hatt

Principal Lecturer in Economics University of the West of England Bristol

and

Frank Gardner

formerly Principal Lecturer in Economics University of the West of England Bristol

Consultant Editor: Jo Campling



Contents

| of Boxes, Figures and Tables | ix | |
|---|---|--|
| nowledgements | xi | |
| lotes on the Contributors | | |
| ist of Abbreviations | | |
| Introduction Sue Hatt and Frank Gardner | 1 | |
| t I A People's Europe: Concepts and History | | |
| From Customs Union to People's Europe? Frank Gardner | 11 | |
| Europe: the context | 11 | |
| European integration: economics or political economy? | 12 | |
| A lesson from history | 15 | |
| Markets or regulation | 16 | |
| The policy process in Brussels | 18 | |
| The people's Europe | 22 | |
| The people and European law | 23 | |
| Conclusion | 24 | |
| References | 25 | |
| In Search of Euro-capitalism Jonathan Bradley | 27 | |
| Introduction | 27 | |
| Definitions of capitalism | 27 | |
| • | 29 | |
| | | |
| · · · · · · · · · · · · · · · · · · · | 34 | |
| <u>-</u> | 37 | |
| Conclusions | 43 | |
| References | 44 | |
| | Introduction Sue Hatt and Frank Gardner t I A People's Europe: Concepts and History From Customs Union to People's Europe? Frank Gardner Europe: the context European integration: economics or political economy? A lesson from history Markets or regulation The policy process in Brussels The people's Europe The people and European law Conclusion References In Search of Euro-capitalism Jonathan Bradley Introduction Definitions of capitalism Convergence in European economic structures Economic supranationality in Europe and the birth of Euro-capitalism Popular capitalism Conclusions | |

Part II People and Business

| 4 | European Business Strategy Sahand Panah | 49 |
|---|---|-----|
| | Introduction Social, technological, economic and political (STEP) | 49 |
| | analysis | 50 |
| | Strategy implementation | 52 |
| | The impact on people | 62 |
| | Conclusion | 64 |
| | References | 64 |
| 5 | Money for the People: Economic and Monetary | |
| | Union | 66 |
| | Peter Cullen | |
| | Why EMU? The theory | 66 |
| | Monetary union: the economic impact | 69 |
| | Monetary union in Europe: winners and losers | 70 |
| | The process: creating a European monetary union | 71 |
| | The people's view | 75 |
| | Preparing for EMU: a comparison between Britain | |
| | and Italy | 76 |
| | Conclusions | 80 |
| | Notes | 81 |
| | References | 81 |
| 6 | The EU Budget and EU Citizens | 82 |
| | Brian Ardy | |
| | Introduction | 82 |
| | Relative national prosperity in the EU | 83 |
| | EU budgetary rules | 84 |
| | EU budget expenditure | 84 |
| | EU budget revenue | 92 |
| | The overall impact of the EU budget | 96 |
| | Conclusion | 97 |
| | Notes | 98 |
| | References | 98 |
| 7 | Protecting Consumers? Regulation of Financial | |
| | Markets in Europe Martin Sullivan | 100 |
| | | 100 |
| | Introduction The financial sector | 100 |
| | The imancial sector | 101 |

| | | Contents vii |
|------|--|--------------|
| | Regulating financial services | 103 |
| | Creating a single market for financial services | 108 |
| | A flawed approach | 109 |
| | A single European regulator? | 111 |
| | Conclusion | 113 |
| | References | 114 |
| | Moving People and Goods Peter Cullen | 116 |
| | The importance of free movement to the European | |
| | Union | 116 |
| | Free movement – what it means | . 117 |
| | Providing for free movement: economic principles | |
| | relating to transport | 118 |
| | The European Union and transport policy | 122 |
| | The European Union and the deregulation of air | 104 |
| | transport | 124 |
| | The demand for transport | 127 |
| | People and transport Conclusion | 129 130 |
| | Notes | 130 |
| | References | 131 |
| | References | 132 |
| 9 | Supporting Farmers or Consumers? Sue Hatt | 133 |
| | Introduction | 133 |
| | The rationale for the CAP | 134 |
| | The CAP regime | 135 |
| | The people and the CAP: France and Italy compared | 137 |
| | The CAP and technology | 138 |
| | The MacSharry reforms | 139 |
| | The people and the CAP | 140 |
| | Conclusion | 149 |
| | References | 149 |
| Part | III People, Workers and Welfare | |
| 10 | Caring and Working: The Market, the State and the Care Economy | e 153 |

153

154

Sue Hatt Introduction

Domestic labour and the economy

viii Contents

| Parenthood, paid employment and the welfare state | 156 |
|---|---|
| Women and men in European labour markets | 161 |
| Men's and women's earnings | 165 |
| Social policies | 166 |
| Conclusion | 169 |
| References | 170 |
| People in Search of Work: Albanian Migrants in | |
| Greece | 172 |
| James Korovilas | |
| Introduction | 172 |
| Greece and immigration | 174 |
| The response of the Greek government to illegal | |
| immigration | 176 |
| | 177 |
| A precarious equilibrium? | 179 |
| • | 180 |
| Albanians in Greece: implications for the EU | 182 |
| Greece and the Schengen Agreement | 183 |
| | 186 |
| References | 187 |
| Europe's Demographic Time Bomb: The Challenge | |
| for Public Pensions | 188 |
| Martin Sullivan | |
| Introduction | 188 |
| Types of pension | 190 |
| European demography | 194 |
| The problems of current schemes | 196 |
| - | 197 |
| | 201 |
| Conclusion | 202 |
| References | 203 |
| Conclusion: Insiders and Outsiders | 204 |
| Frank Gardner and Sue Hatt | |
| ·y | 212 |
| | Women and men in European labour markets Men's and women's earnings Social policies Conclusion References People in Search of Work: Albanian Migrants in Greece James Korovilas Introduction Greece and immigration The response of the Greek government to illegal immigration The migrants' reponse to deportation A precarious equilibrium? The incentive to migrate Albanians in Greece: implications for the EU Greece and the Schengen Agreement Conclusion References Europe's Demographic Time Bomb: The Challenge for Public Pensions Martin Sullivan Introduction Types of pension European demography The problems of current schemes An evaluation of prefunded schemes Pensions in Chile Conclusion: Insiders and Outsiders |